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# U.S. Department of Justice



## United States Attorney's Office Eastern District of Virginia

*Chuck Rosenberg - United States Attorney*

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**FOR IMMEDIATE RELEASE:**

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### **Former Defense Department Employee Sentenced in Scheme to Defraud the Government**

(Alexandria, VA) Chuck Rosenberg, United States Attorney for the Eastern District of Virginia, announced today that Reno Gregory Gross, age 40, of Landover, Maryland, was sentenced in United States District Court in Alexandria by United States District Judge T.S. Ellis, III, to 57 months imprisonment, approximately \$704,000 restitution and 3 years supervised release for his participation in a fraud scheme to use a Department of Defense IMPAC charge card to make over \$704,357.24 in fictitious purchases of maintenance supplies for the Pentagon. Gross pled guilty on February 1, 2006, to wire fraud.

The charges were part of a continuing investigation into misuse of government purchase cards issued to Pentagon employees under the "IMPAC" (International Merchant Purchase Authorization Card) program. Government purchase cards are used by employees of the Pentagon and other government agencies to facilitate the purchase of supplies and services.

From May 1999 until April 2002, Gross was assigned to the Pentagon Building Maintenance Office and was responsible for ordering and purchasing supplies for the maintenance of the Pentagon. Gross, and two others convicted in part of this scheme, created at least 265 fictitious purchase orders, had them approved, and charged a government purchase card \$409,624.61. The money obtained from the scheme was received by an outside company owned by one of the conspirators. No goods were received by the Department of Defense for the false charges.

Additionally, Gross set up separate, similar fraud schemes using three companies which were created for the sole purpose of charging the Department of Defense for supplies not

delivered to the Pentagon. This resulted in at least \$294,732.63 in false sales of supplies to the United States.

All together Gross arranged and participated in over 461 false sales of goods to the Pentagon using government purchase cards totaling \$704,357.24 in losses to the United States.

This case is part of a continuing effort to prosecute IMPAC charge card fraud and abuse within the Department of Defense. The case was investigated by the Defense Criminal Investigative Service and prosecuted by Assistant United States Attorney Robert C. Erickson.

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